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STEEL & MINES DEPARTMENT

NOTIFICATION

The 16th April, 2015

S.R.O. No. 140/2015— Whereas, the State Government have laid down the procedure for pre-emption of iron ore lumps and fines by the State and its subsequent transfer to the mineral based user industries located inside the State vide Notification No.4822/SM., dated the 26th June, 2014.

Whereas, in order to address the practical problems noticed in the course of implementation of the procedure for pre-emption as laid down in the notification dated the 26th June, 2014, the Director, Mines has made some suggestions for modifications in the said notification.

Whereas, the State Government, after careful examination, hereby makes the following modifications to the Notification dated the 26th June, 2014.

- A. At the end of paragraph 2 of the notification dated the 26th June, 2014 the following sentence is inserted "the applicant will indicate month wise breakup of ore requirements alongwith documents like consent to operate, on or before 15th day of the month preceding the quarter".
- B. At the end of paragraph 4 of the notification dated the 26th June, 2014 the following sentence is inserted "The affidavit will be submitted once to cover all future allocations under pre-emption policy".
- C. In paragraph 6 of the notification dated the 26th June, 2014 "and the price payable" in the first sentence of paragraph as well as the sentences "Such nominee(s) shall be required to furnish an unconditional and irrevocable bank guarantee in favour of the Director of Mines for a sum equivalent to 10% of the pecuniary value of the minerals to be lifted by it in the upcoming quarters. The aforesaid bank guarantee shall be

maintained all through the period during which the nominee participates in the scheme" are deleted.

- D. The paragraph 7 of the notification dated the 26th June, 2014 is substituted with following paragraph –

"The price payable to the mining lessees under this scheme shall be the fair market price prevailing on the date of pre-emption. This price will be decided by the Director, Mines for every monthly allocation separately based on the weighted average price of similar grade ore at which the lessee concerned has actually sold the material of the said mine during the preceding 30 days. In case there has been no transaction in the same lease during last 30 days, the price will be fixed by the Director based on relevant prices of a similarly placed mine".

- E. In paragraph 13 of the notification dated the 26th June, 2014, after words "quarterly basis" words "with month-wise allocation and lifting" are inserted. After the end of the last sentence, the following sentence is added, "The Director of Mines will also allow the lessee to sell the material for which the nominee has failed to lift the allocated material for the reasons not attributable to the lessee."
- F. In paragraph 14 of the notification dated the 26th June, 2014, symbol and words, ", and the bank guarantee furnished by it will be liable for forfeiture" is deleted. In the last sentence, words "report the matter to the State Government for further directions" is substituted with words "issue further directions regarding disposal of the material." After the last sentence, the following sentence is added, "if pre-empted material is not lifted during any calendar month for reasons not attributable to the lessee, the pre-emption allocation will stand cancelled and will not be carried forward to the subsequent month".

[No. 3141-VSL-24/13/SM.]

By Order of the Governor

R.K. SHARMA

Principal Secretary to Government